

The Assam Royal Global University, Guwahati

Royal School of Commerce

B. Com. 6th Semester

Semester End Examination, August, 2021

Financial Statement Analysis

Course Code : COM042C603

Time: 3 Hours

Maximum Marks: 70

Note: Attempt all questions as per instructions given.

The figures in the right-hand margin indicate marks.

Section – B

4. Attempt **any two** of the following:

7 x2

- a. Discuss the classification of activities as prescribed in AS-3 for preparation of a Cash Flow Statement with suitable examples in details.
- b. Balance Sheets of Yuvi Ltd. as on 31.3.2018 and 2019 are given (Figures in Rs. '000)

Particulars	Note No.	31.3.2018	31.3.2019
I. Equity and Liabilities:			
Shareholders' Funds			
Equity Share (Rs. 10 each)		4,300	4,000
Reserves and Surplus		640	980
Non-Current Liabilities			
10% Debentures		2,050	2,200
Current Liabilities:			
Trade Creditors		650	800
Provision for Taxation		125	100
Provision for Depreciation:			
Building		600	500
Machinery		300	200
Total		8,685	8,780
II. Assets:			
Non-Current Assets			
Building		2,500	2,500
Machinery		2,00	1,600
Land		1,500	1,800
Current Assets			
Prepaid Expenses		65	80
Inventory		1,400	1,550
Debtors		800	650
Cash and Bank		400	600
Total		8,665	8,780

Additional information:

1. Dividend paid during the year Rs. 4,50,000
2. Land was sold for cash at a profit of Rs. 50,000
3. Machinery costing Rs. 2,00,000 (WDV Rs. 40,000) was sold for Rs. 30,000. Also Machinery costing Rs. 6,00,000 was purchased.
4. Amount transferred to Provision for Taxation during the year Rs. 1,60,000.

Prepare a Cash Flow Statement for year ending 31.3.2019.

- c. Prepare a Cash Flow Statement from the Balance Sheets of Nysya Ltd. as on 31.3.2016 and 2017.

Particulars	Note No.	31.3.2018	31.3.2019
I. Equity and Liabilities:			
Shareholders' Funds			
Equity Share (Rs. 10 each)		3,00,000	4,00,000
Redeemable Preference Share		1,50,000	1,00,000
Reserves and Surplus			
General Reserve		40,000	70,000
Surplus		30,000	48,000
Non-Current Liabilities			
		NIL	NIL
Current Liabilities:			
Trade Creditors		55,000	83,000
Bills Payable		20,000	16,000
Provision for Taxation		40,000	50,000
Proposed Dividend		42,000	42,000
Total		6,77,000	8,17,000
II. Assets:			
Non-Current Assets			
Land & Building		2,00,000	1,70,000
Plant & Machinery		80,000	2,00,000
Goodwill		1,15,000	90,000
Current Assets			
Inventory			
Debtors		77,000	1,09,000
Bills Receivable		1,60,000	2,00,000
Cash in hand		15,000	10,000
Cash at Bank		10,000	8,000
Total		6,77,000	8,17,000

Additional information:

1. Depreciation of Rs. 20,000 on land and building
2. Depreciation of Rs. 10,000 on plant
3. Interim dividend of Rs. 20,000 has been paid during the year